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APR 12 2004

5       AT SEATTLE  
6       CLERK U.S. DISTRICT COURT  
7       WESTERN DISTRICT OF WASHINGTON  
8       DEPUTY  
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7                   UNITED STATES DISTRICT COURT  
8                   WESTERN DISTRICT OF WASHINGTON  
9                   AT SEATTLE

10                   UNITED STATES OF AMERICA,

11                   Plaintiff,

12                   v.

13                   ALPHA TECHNOLOGIES, INC.,

14                   Defendant.

CR04 0173C  
INFORMATION



04-CR-00173-INFO

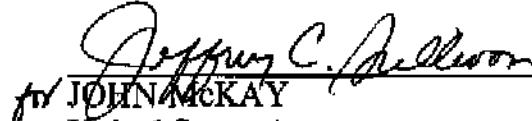
15                   The United States Attorney charges that:

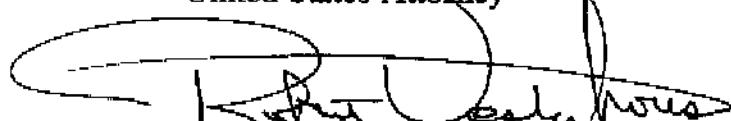
16                   On or about September 15, 1997, at Bellingham, within the Western District of  
17                   Washington, defendant ALPHA TECHNOLOGIES, INC. ("ATI") did willfully aid and  
18                   assist in, procure, counsel, and advise the preparation and presentation to the Internal  
19                   Revenue Service of a U.S. Corporation Income Tax Return (Form 1120) for G. B.  
20                   Enterprises, Inc. ("GBE"), for the calendar year 1996 (the "Return"). The Return was  
21                   false and fraudulent as to a material matter in that GBE reported sales commissions of  
22                   \$9,577,418, which was a figure that improperly included in excess of \$5,000,000 of  
23                   "residual commissions" that did not represent ordinary and necessary business expenses  
24                   and were not used to pay independent sale representatives, but instead were transferred  
25                   to accounts maintained by Alpha Technologies GRC, Ltd., a Cayman Islands  
26                   corporation, and Alphatec, Ltd., a Cypriot corporation, both of which were controlled  
27                   by the principal of Alpha Technologies, Inc. ("ATI"). In truth, ATI knew and believed  
28                   that deductions claimed by GBE for business expenses were inflated by the amount of

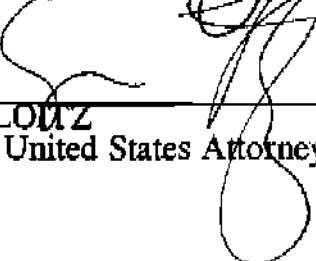
1 these residual commissions, thereby causing the taxes due and owing by GBE for the  
2 calendar year 1996 to be under reported by a sum in excess of \$1,721,000.

3 All in violation of Title 26, United States Code, Section 7206(2).

4 DATED this 12<sup>th</sup> day of April, 2004.

5   
6 for JOHN MCKAY  
7 United States Attorney

8   
9 ROBERT WESTINGHOUSE  
10 Assistant United States Attorney

11   
12 SUSAN LUTZ  
13 Assistant United States Attorney